

SENATE BILL 2836

By Haynes

AN ACT to amend Tennessee Code Annotated, Title 55.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 55-12-102, is amended by deleting item (12) in its entirety and by substituting instead the following:

(12) "Proof of financial responsibility" or "proof of financial security" means:

(A) If proof is required after December 31, 1989, but prior to January 1, 2003, such proof means:

(i) A written proof of liability insurance coverage provided by a single limit policy with a limit of not less than sixty thousand dollars (\$60,000) applicable to one (1) accident;

(ii) A split-limit policy with a limit of not less than twenty-five thousand dollars (\$25,000) for bodily injury to or death of one (1) person, not less than fifty thousand dollars (\$50,000) for bodily injury to or death of two (2) or more persons in any one (1) accident, and not less than ten thousand dollars (\$10,000) for damage to property in any one (1) accident;

(iii) A deposit of cash with the commissioner in the amount of sixty thousand (\$60,000); or

(iv) The execution and filing of a bond with the commissioner in the amount of sixty thousand dollars (\$60,000).

An insured holding a policy that complies with the insurance requirements of the financial responsibility law on December 31, 1989, will not be deemed to be in violation of the law if the policy meets the limits specified above as of the first renewal after such date;

(B) If proof is required after December 31, 2002, such proof means:

(i) A written proof of liability insurance coverage provided by a single limit policy with a limit of not less than sixty thousand dollars (\$60,000) applicable to one (1) accident;

(ii) A split-limit policy with a limit of not less than fifty thousand dollars (\$50,000) for bodily injury to or death of one (1) person, not less than one hundred thousand dollars (\$100,000) for bodily injury to or death of two (2) or more persons in any one (1) accident, and not less than ten thousand dollars (\$10,000) for damage to property in any one (1) accident;

(iii) A deposit of cash with the commissioner in the amount of sixty thousand (\$60,000); or

(iv) The execution and filing of a bond with the commissioner in the amount of sixty thousand dollars (\$60,000).

An insured holding a policy that complies with the insurance requirements of the financial responsibility law on December 31, 2002, will not be deemed to be in violation of the law if the policy meets the limits specified above as of the first renewal after such date;

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.